

NEW YORK HERALD.

JAMES GORDON BENNETT,
EDITOR AND PROPRIETOR.

OFFICE N. W. CORNER OF FULTON AND NASSAU STS.

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AMUSEMENTS THIS EVENING.

NIBLO'S GARDEN, Broadway.—JANE SHORE.—BLACK
BYE SONG.

WINTER GARDEN, Broadway.—NATALI QUEEN.—TOOLES.

WALLACK'S THEATRE, No. 84 Broadway.—THE HONEY-
MOON.LAURA KENNEDY'S THEATRE, Broadway.—OUR AMER-
ICAN COVENANT.NEW BOWERY THEATRE, Bowery.—HARRY BURN-
HAM.—JACQUES SYDNEY.—LILLIS AND TUPPER.BOWERY THEATRE, Bowery.—STICKNEY'S NATIONAL
CIRCUS.BARNUM'S AMERICAN MUSEUM, Broadway.—DAY AND
EVENING.—ORCHESTRA.—HIPPOTOPUS, WHALE, AND OTHER CU-
RIOITIES.BRYANT'S MINSTRELS, Mechanics' Hall, 472 Broad-
way.—ETHIOPIAN SONGS, DANCES, &c.HOOLEY'S MINSTRELS, Shubert's Institute, No. 629
Broadway.—ETHIOPIAN SONGS, DANCES, &c.MELODEON CONCERT HALL, No. 539 Broadway.—SONGS,
DANCES, BURLESQUES, &c.—HOLIDAY IN IRELAND.CANTERBURY MUSIC HALL, 288 Broadway.—SONGS,
DANCES, BURLESQUES, &c.—MACUL, THE NIGHT OWL.GAIETIES CONCERT ROOM, 616 Broadway.—DRAWING
ROOM ENTERTAINMENTS, BALLET, Pantomime, Farces, &c.AMERICAN MUSIC HALL, 444 Broadway.—SONGS, BAL-
LETS, Pantomime, &c.—FANTASTIC PAINTER.CRYSTAL PALACE CONCERT HALL, No. 45 Bowery.—
BURLESQUES, SONGS, DANCES, &c.—O'FLANAGAN AT THE FAIR.PARISIAN CABINET OF WONDER, 568 Broadway.—
Open daily from 10 A. M. till 9 P. M.NOVELTY MUSIC HALL, 616 Broadway.—BURLESQUES
SONGS, DANCES, &c.

New York, Thursday, January 30, 1862.

THE SITUATION.

Nothing more of importance from the Burnside expedition has been received. The accident, arising from the tempestuous weather which befel a few of our vessels and delayed the progress of the expedition for a considerable time, only shows that we exercised our judgment prudently and patriotically in withholding the publication of the details of Gen. Burnside's force, its strength, destination and objects. One of our city papers, violating good faith, has given publicity to facts that may be of service to the rebels, owing to the delay which the fleet has experienced, and for the paltry purpose of appearing to possess knowledge in advance of its contemporaries, whereas the whole facts in connection with the expedition were within the reach of newspaper enterprise. But while other journals were conscientious enough to refrain from publishing the facts within their knowledge, the sheet referred to has done so to its own discredit, and probably to the assistance of the rebels.

The thirty-seventh New York Volunteers distinguished itself yesterday in a skirmish with a body of Texan Rangers who were ensconced in Mrs. Lee's house, on Osoquan bay. Colonel Hayman, of the thirty-seventh, sent out a party of fifty men, under Lieutenant Colonel John Burke, on a reconnaissance, and upon reaching the house of Mrs. Lee they found it occupied by ten Texan rebels. They opened fire upon them, and killed nine of them, taking the remaining one prisoner.

Another interesting installment of Southern news from late papers has reached us. The Richmond Dispatch of the 27th inst. has an editorial on the blessings of peace. The subject is treated in a Scriptural tone, and compares the rebels and their cause to the Israelites in their pilgrimage to Canaan. The article alludes to the independence of the South as already won, and makes large calculations of the benefits resulting therefrom. The Memphis Argus of the 26th says that the inhabitants of Paris, Ky., are in a fearful state of trepidation from the fact that the Union army in large force had arrived at Murray, within twenty-five miles of Paris, and were expected to advance on the latter town. According to the Memphis paper the people were leaving with their negroes and other property for some point South.

A project is on foot in the South to hold a convention of the Southern Railroad Companies on the 5th proximo, to devise measures for the manufacture of railroad iron and other articles of indispensable necessity.

The rebel chief, Major General Holmes, of Aquia district, has published an order to his troops, urging those whose term of service is about to expire to re-enlist for the war. He thinks it is the solemn duty of every man to dedicate himself to his country, until every foot of Southern soil is purged of the pollution of invasion.

The capture of Cedar Keys, Florida, by our military and naval forces, is commented upon by late Savannah papers. The Republican thinks, "with the Tortugas, Key West, Cedar Keys and Fort Pickens in possession of the Union army, there is nothing left of the State of Florida worth holding," and the Republican is not far out in its estimate.

The rebel newspapers still continue their speculations in regard to the Burnside expedition. Newbern, North Carolina, is in a ferment of excitement in expectation of an attack in that quarter. The town is under martial law, and every preparation is made for the reception of the Union troops.

From a telegraphic despatch received from Wilmington, N. C., dated January 26, to the Richmond papers, it is stated that a British vessel, named the York, went ashore a few days since, north of Swansboro', in Onslow county, North Carolina, and was subsequently burned by Union gunboats.

By the arrival of the City of New York, the Glasgow and the mails of the Europa yesterday, we received our European files to the 11th inst., containing the details of the news telegraphed a few days since from Newfoundland and Halifax to the Herald. It will be seen that the report of the surrender of Mason and Slidell produced a feeling of satisfaction in the manufacturing districts, ship-building depots and commercial centres of England. Not so much, as we take it, on account of any approval of what might be supposed to be a triumph to the rebel cause of the South, as from the feeling that the solid interests, trade profits and revenue of the British capitalists were saved from the losses which they would inevitably have sustained from a war between Great Britain and the United States.

As an evidence of the prevalence of the spirit among the masses we find the London Times dealing in the most coarse abuse of Mason and Slidell personally, and warning the people against making any display, either from respect or

curiosity, "in their behalf on their arrival. They are both described as trading 'revilers' and 'haters' of England, and it is asserted that in her eyes they are of no more consequence than 'two of their own negroes,' and scarcely so important as Tom Sayers when walking out with one of his friends of the 'ring.'"

The London Herald, the organ of Lord Derby and the aristocrats, states that the rebel agents in London have offered on behalf of the Confederates the basis of a treaty of commerce to England. This journal holds forth the most liberal inducements for the recognition of the Jeff. Davis government by Parliament and the Queen. Great Britain is to enjoy a perfect free trade with the revolted States, an equalization of her flag with that of the South, a freedom of traffic on the coast, and the chance of supplying all the manufactured goods required for the use of the working millions in the seceded territory. On these grounds the Derbyites advocate the immediate recognition of such excellent customers.

The London papers assert that the Emperor Napoleon approved of England's policy all through the Trent affair, without qualification; but it is easy to see, from the articles in the Paris journals, that the French people at large do not entertain such a high opinion of her honor and international good faith. Indeed, the *Opinion Nationale*—the organ of Prince Napoleon—says that she will make war on the United States whether Mason and Slidell were given up or not, and the writer warns France against abetting her designs against the Union.

The news of the surrender of Mason and Slidell was announced from the stage in the Drury Lane and Glyptic theatres, London, to delighted crowds.

It appears that Lord Palmerston concealed from the people of England all knowledge of Mr. Seward's despatch to Mr. Adams, in which the act of Captain Wilkes was described as one undertaken without the order or cognizance of the government, although it had been read to the Cabinet by our Minister in the third week of December. It is now said that if this fact had been made public the war excitement against America would never have made so much progress.

The Mexican Minister of Foreign Affairs has addressed a letter to the Mexican Consul in London on the subject of the foreign invasion of the republic. He states that Spain precipitated a war on his country at a moment when the government could, within a year, have paid off her debts to the European Powers, secured internal peace and consolidated her power by the extinction of faction. The design of the writer is to interest England, even yet, in behalf of Mexico and against the policy of Spain.

CONGRESS.

In the Senate yesterday, Mr. John B. Henderson, appointed Senator from Missouri, in place of the rebel Trusten Polk, was qualified and took his seat. The Naval Committee made a report, asking to be discharged from the further consideration of the subject of a steam mail line to San Francisco. A resolution calling for information as to the number of cavalry regiments in the service, distinguishing those mounted by States, and how many are necessary, was adopted. The resolution relative to breaking up the line-of-battle ships Alabama and Virginia was referred. The joint resolution amending the rules so as to allow secret sessions of either house on subjects pertaining to the suppression of the rebellion was passed. The bill providing for the organization of the staffs of the various divisions of the army was taken up. An amendment to the effect that if a sutler violate the rules of sale he be dismissed was agreed to, and the bill passed. The consideration of the resolution regarding the expulsion of Senator Bright, of Indiana, was then resumed, and a lively debate ensued, which continued until the Senate went into executive session.

In the House of Representatives, the bill making the usual appropriations for the executive, legislative and judicial expenses of the government was passed, with an amendment that nothing in the act shall prevent hereafter a reduction of salaries, and that mileage shall be allowed to Congressmen for each regular session only. A bill appropriating \$3,000 for the purchase and distribution of cotton seed through the Patent Office was passed. The bill providing the usual pay and allowances to commissioned field officers and captains from the time they were authorized by the President, Secretary of War or Governor of their State to raise a regiment was passed. The Senate bill authorizing the President to take possession of railroads and telegraph lines in certain cases was passed by a vote of 115 against 23. In Committee of the Whole the Demand Treasury Note bill was called up, and Mr. Pendleton, of Ohio, made a speech on the subject. At the conclusion of his remarks the Army bill was taken up, and Mr. Gurley, of Ohio, delivered a speech, urging a forward movement of the Union armies. When he had finished the committee rose, and the House took up the joint resolution from the Senate providing for secret sessions on subjects connected with the war, which, after some debate, was adopted, and the House adjourned.

MISCELLANEOUS NEWS.

In the State Senate yesterday the following bills, among others, were introduced:—To correct the abuses in regard to the relaying of pavements in this city; for the relief of owners of land formerly under water in front of this city and Kings county; and authorizing the Kings County Supervisors to borrow money to build a new court house. Notice was given of a bill for incorporating the New York Homeopathic College. A resolution was adopted requesting the Governor to inform the Legislature as to all proceedings under the act appropriating \$500,000 to arm and equip the State militia. A resolution to the effect that the Canal Contracting Board be instructed to inquire into all claims and damages connected with the canals, and report thereon at each session of the Legislature, was introduced and laid over. The bill amending the Brooklyn Common School act was ordered to a third reading. A resolution, instructing our Senators in Congress to vote for the expulsion of Senator Bright, of Indiana, was brought in, but was tabled. In the Assembly, favorable reports were made on the bills to amend the Kaiserbrecker Fire Insurance Company's charter, and to amend the general Fire Insurance law. The bill to legalize certain acts of our city Corporation was moved forward to the first Committee of the Whole. The bill authorizing the Kings County Supervisors to aid volunteers' families was ordered to a third reading; also that amending the charter of the Republic Fire Insurance Company. The concurrent resolution in favor of the expulsion of Senator Bright was also introduced in the Assembly. Canvasses were held last night by the democratic and republican members of the Legislature to nominate candidates for State Superintendent of Public Instruction and for Regent of the New York University. For the former office Mr. Victor M. Rice, of Erie, was nominated by the

republicans, and Mr. Joseph Warren, of Erie, by the democrats. For Regent of the University, Mr. George R. Perkins, of Oneida, was nominated by both parties.

We have news from the West Coast of Africa dated at Cameroons 29th of November, Old Calendar 3d, Bonny 7th, Lagos 10th, Cape Coast Castle 14th, and Sierra Leone 21st of December. Trade was brisk. Considerable excitement prevailed at Lagos, arising out of the recent cessation of that place to England. The native chiefs were discontented. Serious disturbances had taken place in Quib territory, near Sierra Leone. All the troops and native militia had gone to that place. Desperate fighting was going on. A native stockade at Madenka had been destroyed by the British. Major Hill was mortally wounded. Captains Jones and Williams, Sergeant Evans and twenty-three privates were also dangerously wounded.

The value of the munitions of war captured from Zollicoffer's rebel army at Mill Spring and Cumberland river may be estimated as follows:—
Horses and mules.....\$100,000
Vagons.....60,000
Ordnance.....35,000
Muskets.....25,000
Boats.....20,000
Stores.....10,000
Total.....\$250,000

The Superintendent of the Forage Department at St. Louis has given notice that he will receive no more forage purchased through the old secession Chamber of Commerce in that city.

The Wisconsin Assembly, by an almost unanimous vote, have expunged the joint resolutions, which were called the secession or State rights resolutions, passed by the republican Legislature in 1859.

Donald McKay, of Boston, has ready for shipment to France and England sixteen hundred tons of white oak ship timber, for which he is to receive sixty dollars a ton. One-half of it is in Boston and the other half in Delaware. Is the Secretary of the Navy aware of this fact?

On the 25th inst. a flag of truce arrived at Munfordville from Bowling Green, asking for the body of General Zollicoffer.

The jury in the case of Samuel H. Merritt, tried for the murder of John Swain, secessionist, before Judge McMunn, in the General Sessions, came into Court yesterday—having been locked up during the night—with a verdict of manslaughter in the third degree. The jury recommended Merritt to mercy, and he was remanded for sentence. Felix Sanchez, who attempted to kill one of the keepers of the city prison, pleaded guilty to an assault with a dangerous weapon, and was sent to the State prison for five years. Charles Schultz was tried and convicted of an aggravated assault and battery upon Mary Whitworth. He will be sentenced on Saturday.

The wind during yesterday was from the northeast, with a drizzling rain and thick fog. The steamships Arabia and City of Manchester, for Liverpool, were detained in consequence, but will leave at an early hour this morning, weather permitting. The Eastern boats left at their usual time. The boats on the different ferries made their regular trips without interruption. We have not heard of any accidents on the rivers.

No business of public importance was transacted by the Commissioners of Emigration yesterday. From the usual weekly statement it appears that the number of emigrants who arrived here during the week ending on the 29th inst. was 260, making a total of 1,372 during the present year, against 2,369 up to the same date last year. The number of inmates remaining on Ward's Island is 810. The Treasurer's report shows a balance in the bank of \$4,312.08.

Skating was allowed yesterday on both the ponds of the Central Park; but in consequence of the thaw, fog and drizzling rain the ice was far from being in a good condition for skating. Many persons visited the ice during the early part of the day; but as dusk approached they made the best of their way homeward. The Park generally presented anything but an inviting appearance to pleasure seekers.

The market for beef cattle was somewhat unsettled yesterday, from the fact that a large proportion of the stock was delayed by the ice and snow on the railroad, and did not arrive until a late hour. Prices were rather firmer, varying from 6c. to 9c. a 100 lbs., the latter for extras. Cows and veal calves were quiet and unchanged. Sheep and lambs were rather scarce, and about 2c. per head higher. Swine sold quite freely at 3c. for still fed, and 3½c. a 100 lbs. for corn fed. The receipts were 2,384 hogs, 46 cows, 233 veals, 7,106 sheep and lambs and 23,500 swine.

The cotton market yesterday was firmer, and more active, with sales of about 700 a 100 bales, chiefly to speculators, on the basis of 30c. for middling and 34c. for strict middling uplands. The four market was inactive, and sales light, while prices were in the main unchanged. What was heavy, and without sales of importance. Holders were unwilling to meet the views of purchasers. Cotton was dull, with moderate sales at 6½c. for Western mixed, in store. Provisions were rather more active and firm, with sales of new corn at 27½, and new prime at \$2 25 a 100 lbs. Sugars were quiet, and sales confined to 44 hds. Cuba and 2,000 bags Pernambuco. Coffee was quiet, and sales limited. Freight was moving to a fair extent at rates given in another column.

HATTERAS INLET AND ITS BARS AND CHANNELS.—A FEW SIMPLE FACTS.—In our reports of the difficulties experienced by the ships of the Burnside expedition at Hatteras Inlet, a suspicion is thrown out against the loyalty of some of the local Union pilots, and against the truth of the reports made to General Burnside at Annapolis, as to the depth of water of said inlet. These insinuations, we think, are extremely unjust, as a few simple facts will serve to show. The narrow sandpit which divides the waters of Pamlico and Albemarle Sounds from the ocean is nothing more than a long heap of shifting sand thrown up by the sea. The outside shore line is changed by every storm, as are the soundings near shore, and the inlets of that sandpit by those shifting sands. Thus we have no reason to doubt that Hatteras Inlet carried over eight feet of water three weeks ago, although Gen. Burnside's vessels carrying over seven feet three inches stuck fast in attempting to run through. Those terrible storms had driven the sand from the shore line into the inlet. That is the simple explanation; and we cannot hold men responsible for the irresistible forces of stormy winds and waves upon a coast of shifting sands.

THE PAY OF THE ARMY.—The bill which is shortly to be brought before Congress for the reduction of the pay of the army is a measure which we do not hesitate to say is exceedingly ill advised at the present time. It is true that the government ought to study economy as far as possible, without injury to the public service. But we have come to the conclusion that to reduce the pay of the army would be to impair its efficiency to some extent, by creating dissatisfaction among the officers themselves, and increasing the embarrassments of their families. If retrenchment in the government expenditure is needed—and we think it is—let it be made in the pay of the persons holding civil appointments throughout the country. The army is only a temporary expense, and when this war is over it will be disbanded as rapidly as it was created. It is very engaged in a struggle upon which the very integrity of the Union depends, and we ought not to begrudge the money we pay for the services of our gallant defenders. We consequently trust that the bill will be defeated.

The National Finances and National Resources.

Whoever has read the important statement of Mr. Spaulding, of New York, in the House of Representatives, published yesterday, introducing the bill to authorize the issue of United States notes, and to make provision for the redemption and funding thereof, and for the funding of the floating debt of the United States, must have been agreeably startled at the announcement from official documents of the astounding progress of the nation in material wealth during the last decade. It appears from the census returns, now for the first time published (the statistics having been expressly procured by Mr. Spaulding from the Census Bureau), that the value of real and personal estate in this country has more than doubled during the ten years from 1850 to 1860. At the former period the aggregate value was seven billions one hundred and thirty-five millions seven hundred and eighty thousand two hundred and twenty-eight (\$7,135,780,228); in the year 1860 the total stood sixteen billions one hundred and sixty-one millions two hundred and sixty-one thousand two hundred and thirty-nine, (\$16,161,261,239), being an increase of \$9,025,481,011, or over nine billions—an increase of 125 per cent in the accumulated wealth of the country. A billion is a thousand millions, and the present value of the real and personal estate is therefore over sixteen thousand one hundred and sixty millions.

Here, then, is the vast capital upon which will be based the bonds and Treasury notes about to be issued by the government for the sustenance of the war. In the history of nations was there ever such a foundation before for the credit of a government? What security in the whole world can equal this? All this property will be pledged to the public creditor, and he will have a first lien upon it. For the payment of the interest and the redemption of the principal of the debt already incurred for the war, and the estimated expenditure for its completion, it is proposed to impose an annual tax of \$150,000,000, in addition to the present receipts from customs. This whole tax, large as it may seem, is only the one hundred and seventh part of the value of the resources upon which it is to be levied, or considerably less than one per cent.

Now Congress has a constitutional right to "lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defence and general welfare of the United States." It would therefore be competent to the national legislature to levy the whole expenses of the war upon the people, and to pay in cash for everything as we go, instead of incurring a debt to be paid gradually in twenty years. But as the constitution also provides that "Congress has power to borrow money on the credit of the United States" for the same purpose, and as it is more convenient to the people and less onerous and oppressive to the present generation to spread our liabilities over twenty years than to pay them off in one year or two years, it is proposed to issue "bills of credit"—in other words, Treasury demand notes and six per cent bonds—into which said notes will be convertible at the option of the holder, and only to levy by taxation the amount necessary to pay the interest of the bonds and provide a sinking fund for the redemption of the principal.

The aggregate of the debt incurred in various forms for the war to January 15 is \$306,764,613. The estimated expenditure from thence to July 1 of the present year—by which time it is hoped the war will be finished—is \$343,235,387, and that includes \$100,000,000 of indebtedness not yet audited by the proper officers. The total expenditure up to July 1 would therefore be \$650,000,000. This amount would be about a twenty-fifth part of the value of the property of the nation, or four per cent, if it should be all paid by tax raised in the current year. Now, even if it were necessary to do this, what loyal man, who has any appreciation of the priceless blessings of the Union, would object? It is unnecessary. The national credit stands above that of every other nation, and a tax to pay the interest of the principal will be sufficient for every purpose of the government and the country. We are glad to perceive that the Chairman of the Committee of Ways and Means has adopted the suggestion we have made, and that he will propose an amendment to the bill to pay the interest in coin—an amendment which we trust the good sense of Congress will see the necessity of adopting in order to prevent the depreciation of the national securities.

Taking the most gloomy view possible of the war, and giving the widest margin for expenditure, let the period for the pacification of the South be extended to the 1st of July, 1863, and let the cost be one billion and two hundred millions of dollars (\$1,200,000,000), as Mr. Spaulding calculates it, which is three hundred millions (\$300,000,000) more than the estimate of Mr. Chase. It would not break us if we were to pay the whole amount during the next twenty years. It would be only three and one-eighth per cent per annum upon what we are worth. But when it is raised gradually in the form and manner proposed it will not be felt by this great and vigorous young nation. Let it be spread, not only over the whole of the real estate of the country, but the personal, on the banks throughout the United States, the specie in their vaults, on commerce and manufactures, on railroads and steamboats and their passengers, on gas companies, on newspapers, and on all kinds of production and business whatever. Thus distributed, it will not be burdensome to any, and the country will be repaid a thousandfold by the sustenance of the national credit and by the fruits of the successful prosecution of the war for the Union.

The plan proposed, it will be perceived, is what we have advocated from the beginning in these columns. It consists of three parts, which are, briefly, as follows:—

1. Raise by taxation, in the current year, \$150,000,000 over and above the amount received from duties on imports. No nation, except England, has ever attempted to do this. The effect of the direct tax will be to make the people vigilant as to the manner in which their money is expended, and the public robbers may expect their vengeance.

2. Issue \$100,000,000 demand Treasury notes, not bearing interest, in addition to the \$50,000,000 authorized in July, making them a legal tender, and exchangeable for United States six per cent bonds, to be issued; also giving authority to make a further issue of demand notes if the exigencies of the government require it.

3. Issue all the twenty years six per cent coupon bonds necessary to fund the demand

Treasury notes to be now or hereafter issued—say \$650,000,000 to July next, and pledging \$30,000,000 of the new taxes to pay the half yearly interest of six per cent, and \$32,500,000 as a sinking fund to redeem the principal in twenty years—being less than \$72,000,000 in all.

Thus, then, less than half the \$150,000,000 tax will suffice to amply secure and redeem a national debt of \$650,000,000; and if it were necessary to pay off that amount in ten years, an annual tax of \$150,000,000 would be sufficient for the purpose. But supposing the war debt on July 1, 1863, should amount to twelve hundred millions (\$1,200,000,000), the annual interest at 6 per cent would be only \$72,000,000, and the annual sum necessary for the sinking fund would be \$60,000,000—in all \$132,000,000. Now this is only about one-third the annual taxation of Great Britain; and who will pretend that the United States cannot bear taxation better than the British empire? The relative stability of our government and its resources may be estimated by comparing the prices of its securities in time of peace with those of the principal nations of Europe. United States stocks have been as high as 125, and immediately before the commencement of our national troubles they ranged as high as 114 and 118. Even now, in the midst of the most gigantic rebellion in modern times, they are only 10 below par. The following table will show at what prices the national stocks of other governments are selling for in time of peace:—

English consols.....	92
French 3 per cent.....	91
French rentes, 4½ per cent.....	96
Prussian 4 per cent.....	95
Russian 5 per cent.....	98
Russian 4½ per cent.....	91
Russian 3 per cent.....	85
Austrian 5 per cent.....	68
Austrian national loan.....	81
Spanish 3 per cent.....	67
Spanish national loan.....	67
Spanish 4 per cent.....	69
Dutch 2½ per cent.....	98
Dutch 3 per cent.....	93
Turkish 6 per cent.....	78
Turkish new.....	70
Mexican 5 per cent.....	25

The Treasury 7-3-10 notes already issued by our government during the war sell at par. They were depreciated 2½ per cent by the ridiculous rumors that Mr. Chase was paying them to contractors. If any were paid that way the amount did not reach \$50,000. But when it is known that the interest will be paid for the new bonds in coin, there is no reason that the demand notes based upon them should go below par. And when the war is terminated all United States stocks will rise to their former high figure for all the capitalists of Europe will eagerly purchase them, as the safest and most profitable investment in the world. None will desire the American government to redeem its bonds; for if any holder wishes to part with what he owns, he will have no difficulty in getting gold for them in the market, so good will be the credit of the government, and so secure the investment, resting, as it does, upon the faith of the whole people and the pledge of their whole property, amounting to sixteen billions of dollars!

THE REBEL RAILWAY COMMUNICATIONS.—LOOKING AFTER THE INSIDE TRACK.—Our readers are aware that the rebel Confederate government and grand army of Virginia derive their military supplies and reinforcements from the other rebel States by means of the great Southern western railroad line through East Tennessee and the great Southern seaboard lines through North Carolina. All these lines of communication are now in danger from General Burnside and General Sherman along the seaboard, and from the advanced detachments of General Buell's army of Kentucky, which, from their victory near Somerset, have already pushed forward into East Tennessee. The rebels begin to comprehend their danger, and are beginning to move accordingly.

From late Richmond papers it appears "that a well concerted movement is on foot there for a general meeting in Richmond of railroad officers, on the 5th of February, to devise measures for the manufacture of railroad iron," the discovery having been made that "to keep up a perfect railroad communication throughout the South requires an occasional renewal of material." We suspect, however, that the main object of this railroad iron making enterprise is to provide the iron for closing up an unfinished gap of some forty miles, more or less, of an inside line of railroads between Richmond and the South, running down through the western part of North Carolina, and at a pretty safe distance from the army of Buell, in East Tennessee, and of Burnside, in Eastern North Carolina.

Jeff. Davis, in his last message to Congress, referred to the importance of finishing the work required to open this inside track. But the chances are now that the Richmond Railroad Convention will be too late; for, in all probability, before this inside line is completed, our co-operating Union armies, east and west, will have made a connection across North Carolina. As the rebels understand the game, they will doubtless go to work with some energy; but the odds are against them; for it is evident that General McClellan already has them in his grasp. Let us watch and wait.

THE BURNSIDE EXPEDITION.—It is a source of satisfaction to us to know that, notwithstanding the severity of the storm that overtook the expedition under Burnside, and although the latter consisted of a hundred and twenty-five vessels, only two—namely, the New York and Grapeshot—were actually lost, and of the three or four that were driven ashore it is expected that some, if not all, will be floated off again. It is even still more gratifying to learn that, of all the lives on board the hundred and twenty-five vessels of the fleet, only three were lost, and these while passing from one vessel to another. The loss of the sixty or seventy horses belonging to the Rhode Island battery was, under the circumstances, unavoidable. All the disaster that has attended this expedition, as well as that to Port Royal, has been solely owing to the commanders of those having had to contend against, they have not for a moment lost fortitude, but remained perfectly undaunted; and, in all probability, before this, General Burnside has struck the blow for which the expedition was organized.

The expedition now being fitted out under Commodore Porter promises to carry out fully the design of these naval enterprises, and there is little doubt that if we persevere we shall soon be in possession of the whole of the Southern coast, from Norfolk to Matamoros, together with a hundred million dollars' worth of cotton, which there will be little difficulty in capturing and shipping to the North. We have therefore reason for congratulation.

lation at the results present and prospective of our naval expeditions to the Southern coast.

The Southern Rebellion in the British Parliament.

In another part of this day's issue will be found two articles of a very remarkable and significant character, copied from the London Herald, Lord Derby's organ. They indicate the line of policy which is to be pursued by the opposition in reference to this country on the assembling of Parliament, which takes place on the 8th of February next. They are the more important from the fact that, in defining the system of tactics by which the Tory party hope to pave their way to power, they lay bare to the world the plans and policy of Jeff. Davis and his associates.

It will be recollected that soon after the rebels installed their bogus government in Richmond several English members of Parliament visited this country, ostensibly on a tour of pleasure. It was remarked, however, that, instead of passing a reasonable time in examining what was worthy to be seen in the North, they proceeded almost immediately to the rebel capital. The fact elicited some comment at the time; but it was met by a sturdy denial that the Southern peregrinations of these gentlemen had any more serious motive than that of mere curiosity. In the articles to which we direct attention we have, if not direct evidence, at least a strong presumption, that such was not the case. They went to Richmond for the express purpose of collecting facts to prove the inefficiency of the blockade, and to ascertain what the rebels would be disposed to do for English commerce, in the event of their being able to obtain the recognition of their independence. It will be remembered that shortly after their departure from Richmond the President of the rebel confederation announced in one of his messages that he had taken steps to prove to foreign governments the utter inefficiency of the blockade. That these pleasure seeking gentlemen were the parties through whom he expected to accomplish this object there is every reason to believe. The evidence which they took home with them was, however, defeated by facts that could not be contested. The enormous rise that took place in all the necessities of life throughout the rebel States was proof sufficient to all candid minds that the blockade was as efficient as the requirements of international law could reasonably exact; and, besides this, the officers of the English and French naval squadrons themselves bore testimony to the fact. The results of the remaining branch of the mission of these gentlemen, of course, are yet to be ascertained. The articles that we quote give us a full statement of the inducements held out to them by the rebel government in return for the promised recognition of the South. They may be thus briefly enumerated:—A treaty of commerce of the most liberal and comprehensive character; British merchants to be placed on terms of perfect equality with those of the South, and the flags of the two countries to be in all respects assimilated; the coasting trade to be thrown open to British vessels, and encouragement to be given to the establishment of direct lines of steamers between New Orleans, Charleston, Norfolk and the large English ports.

These concessions, it was expected, would soon lead to the organization of a powerful opposition, which would either force the Palmerston administration out of office or compel it to recognise the rebels and break the blockade. The Trent affair arrived to crown the hopes of the plotters, and the English press was largely subsidized to fan the flame of resentment which it excited. But that affair was managed so adroitly by our government that instead of operating to our prejudice it has turned all Europe in our favor, whilst the miserable traitors that were the occasion of it are knocked about and maltreated as if they were indeed a couple of that unfortunate race of whom the London Times, erstwhile abolitionist in its proclivities, speaks so contemptuously. The remainder of the game will soon be played out. The strength of the position of our government, the enormous army that it has accumulated, the development of our financial resources on a sound and healthy basis, and the advance of our land forces simultaneously with operations by our naval squadrons against the rebel coasts, will soon upset all these bright visions and schemes of European politicians, and give them cause for uneasy reflection as to the consequences of the base and selfish line of policy which they have pursued towards us ever since the beginning of the war.

THE SIX FLEET AND THE COMMENTS OF THE FOREIGN PRESS.—We observe that the English and French press still continue harping upon the blockade of Charleston harbor by the stone fleet. The London Times in particular has taken occasion to use some very hard names towards us in consequence, and it seems to regard the matter as an outrage upon the civilized world and a disgrace to ourselves. But the English and French journals have far more reason to condemn the conduct of the South than the North; for, although we have closed one harbor, we have opened another and a much finer one, close by the old port—that of Port Royal—having capacity sufficient to accommodate the Great Eastern. But the South has done what we should never have done under any circumstances. It has destroyed no fewer than a hundred and twenty-five lights on different parts of the coast, the loss of which may result in the destruction of the lives of thousands of innocent people and millions of dollars worth of shipping and other property. These lighthouses were erected by the federal government at great cost and considerable risk, and it will be difficult to repair such an amount of wanton mischief. Charleston, it is well known, has been the hotbed of rebellion for thirty years, and in closing that one harbor by the sinking of vessels, we have not acted contrary to precedent.

In 1627 the French blockaded the harbor of Rochelle by a dyke, the remains of which are still visible at low water, and the British blockaded the harbor of Boulogne in the very same manner that we have blockaded Charleston. Moreover, blockades of this description are removable in the same way as sandbars—by dredging—so that if ever it becomes desirable to reopen Charleston harbor it can be done. It is therefore perfectly gratuitous on the part of the foreign press to view with horror our attempt, as it is called, to deprive future generations of the blessings which nature has designed for them in the shape of harbors. It is further unjust to say that such proceedings are acts of war against the whole human race, and that by the intervention of those who repro-